

TOWNSHIP OF MAPLE GROVE  
SAGINAW COUNTY, MICHIGAN

FINANCIAL STATEMENTS

MARCH 31, 2004

FRANCIS H MCKENNA  
*Certified Public Accountant*

## Auditing Procedures Report

passed under P.A. 2 of 1988, as amended.

|   |                                |   |                          |
|---|--------------------------------|---|--------------------------|
| Local Government Type<br><input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other |                                | Local Government Name<br><b>Maple Grove Township</b>        | County<br><b>Saginaw</b> |
| Audit Date<br><b>3/31/04</b>  | Opinion Date<br><b>9/10/04</b> | Date Accountant Report Submitted to State<br><b>9/24/04</b> |                          |

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

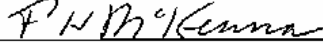
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations.

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1960, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 198 of 1997 (MCL 129.95).

We have enclosed the following:

|   | Enclosed | To Be Forwarded | Not Required |
|---|----------|-----------------|--------------|
| The letter of comments and recommendations.                                   | ✓        |                 |              |
| Reports on individual federal financial assistance programs (program audits). |          |                 | ✓            |
| Single Audit Reports (ASLGR).   |          |                 | ✓            |

|   |  |                          |                        |
|---|--|--------------------------|------------------------|
| Certified Public Accountant (Firm Name)<br><b>Francis H McKenna, CPA</b>                                    |  |                          |                        |
| Street Address<br><b>300 St Andrews Rd Ste 402</b>  |  | City<br><b>Saginaw</b>   | State<br><b>MI</b>     |
| Accountant Signature<br> |  | ZIP<br><b>48603-5977</b> | Date<br><b>9/24/04</b> |

# MAPLE GROVE TOWNSHIP

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# Maple Grove Township

SUPERVISOR

MARC S. EBENHOEH

CLERK

CHERYL L. BISHOP

TREASURER

DALE DREXLER

TRUSTEE

BERNIE BAUMAN

TRUSTEE

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***INDEPENDENT AUDITOR'S REPORT***

September 10, 2004

To the Township Board  
Township of Maple Grove  
Saginaw County, Michigan

I have audited the accompanying general purpose financial statements of the Maple Grove Township, Saginaw County, Michigan as of and for the year ended March 31, 2004 as listed in the table of contents. These general purpose financial statements are the responsibility of the Maple Grove Township's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit. The prior year summarized comparative information has been derived from the Township's 2003 financial statements and, in my report dated October 30, 2003, I expressed an unqualified opinion on the general purpose financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Maple Grove Township, Saginaw County, Michigan at March 31, 2004, and the results of its operations for the year then ended in conformity with generally accounting principles generally accepted in the United States of America.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and supplementary financial data and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Maple Grove Township. Such information has been subjected to the auditing procedures applied in the audit of the general purposes financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Francis H. McKenna, CPA*

FRANCIS H. MCKENNA  
Certified Public Accountant

# MAPLE GROVE TOWNSHIP

## COMBINED BALANCE SHEET ALL FUND TYPES AND ACCOUNT GROUPS

MARCH 31, 2004

|   | GOVERNMENTAL<br>FUND TYPES |                        | FIDUCIARY<br>FUND TYPES | ACCOUNT<br>GROUP           | TOTAL<br>(MEMORANDUM ONLY) |                            |
|---|----------------------------|------------------------|-------------------------|----------------------------|----------------------------|----------------------------|
|   | GENERAL                    | SPECIAL<br>REVENUE     | TRUST<br>AND<br>AGENCY  | GENERAL<br>FIXED<br>ASSETS | MARCH 31,<br>2004          | MARCH 31,<br>2003          |
| <b>ASSETS:</b>                                  |                            |                        |                         |                            |                            |                            |
| Cash and cash equivalents                       | \$ 156,560                 | \$ 5,474               | \$ 1,195                | \$ -                       | \$ 163,229                 | \$ 168,020                 |
| Delinquent taxes receivable                     | 7,020                      | -                      | 1,038                   | -                          | 8,058                      | 9,437                      |
| Due from State                                  | 24,411                     | -                      | -                       | -                          | 24,411                     | 26,415                     |
| Due from Current Tax Fund                       | 1,195                      | -                      | -                       | -                          | 1,195                      | 497                        |
| Due from Delinquent Tax Fund                    | 21                         | -                      | -                       | -                          | 21                         | 13                         |
| Property and equipment                          | -                          | -                      | -                       | 803,928                    | 803,928                    | 800,926                    |
| <b><u>TOTAL ASSETS</u></b>                      | <b><u>\$ 189,207</u></b>   | <b><u>\$ 5,474</u></b> | <b><u>\$ 2,233</u></b>  | <b><u>\$ 803,928</u></b>   | <b><u>\$ 1,000,842</u></b> | <b><u>\$ 1,005,308</u></b> |
| <b>LIABILITIES AND FUND EQUITY:</b>             |                            |                        |                         |                            |                            |                            |
| <b>LIABILITIES:</b>                             |                            |                        |                         |                            |                            |                            |
| Accounts payable                                | \$ 23,686                  | \$ 5,474               | \$ -                    | \$ -                       | \$ 29,160                  | \$ 32,662                  |
| Due to General Fund                             | -                          | -                      | 1,216                   | -                          | 1,216                      | 510                        |
| Due to County                                   | -                          | -                      | 166                     | -                          | 166                        | 97                         |
| Due to School District                          | -                          | -                      | 577                     | -                          | 577                        | 341                        |
| Due to Intermediate School District             | -                          | -                      | 86                      | -                          | 86                         | 51                         |
| Due to Delta College                            | -                          | -                      | 58                      | -                          | 58                         | 33                         |
| Due to State                                    | -                          | -                      | 130                     | -                          | 130                        | 82                         |
| Deferred revenues – taxes                       | 21                         | -                      | -                       | -                          | 21                         | 13                         |
| <b>Total Liabilities</b>                        | <b>23,707</b>              | <b>5,474</b>           | <b>2,233</b>            | <b>-</b>                   | <b>31,414</b>              | <b>33,789</b>              |
| <b>FUND EQUITY:</b>                             |                            |                        |                         |                            |                            |                            |
| Investment in general fixed assets              | -                          | -                      | -                       | 803,928                    | 803,928                    | 800,926                    |
| Fund balance -- unreserved, undesignated        | 165,500                    | -                      | -                       | -                          | 165,500                    | 170,593                    |
| <b>Total Fund Equity</b>                        | <b>165,500</b>             | <b>-</b>               | <b>-</b>                | <b>803,928</b>             | <b>969,428</b>             | <b>971,519</b>             |
| <b><u>TOTAL LIABILITIES AND FUND EQUITY</u></b> | <b><u>\$ 189,207</u></b>   | <b><u>\$ 5,474</u></b> | <b><u>\$ 2,233</u></b>  | <b><u>\$ 803,928</u></b>   | <b><u>\$ 1,000,842</u></b> | <b><u>\$ 1,005,308</u></b> |

The accompanying notes are an integral part of these financial statements.

# MAPLE GROVE TOWNSHIP

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE – ALL GOVERNMENTAL FUND TYPES

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|  | GOVERNMENTAL FUND TYPES |          | TOTALS               |            |
|--|-------------------------|----------|----------------------|------------|
|  | GENERAL                 | SPECIAL  | (MEMORANDUM ONLY)    |            |
|  | FUND                    | REVENUE  | YEAR ENDED MARCH 31, |            |
|  |                         | FUND     | 2004                 | 2003       |
| SOURCES OF FINANCIAL RESOURCES:  |                         |          |                      |            |
| Revenue:   |                         |          |                      |            |
| Taxes  | \$ 71,140               | \$ -     | \$ 71,140            | \$ 65,713  |
| Licenses and permits   | 4,217                   | -        | 4,217                | 4,167      |
| Federal grants   | -                       | -        | -                    | 19,022     |
| State grants & revenue sharing   | 185,132                 | -        | 185,132              | 198,184    |
| Charges for services   | 125,723                 | 12,396   | 138,119              | 134,360    |
| Fines & forfeits   | -                       | -        | -                    | 10         |
| Interest and rents   | 10,800                  | -        | 10,800               | 12,403     |
| Other revenue  | 5,398                   | -        | 5,398                | 9,137      |
| Total Revenue  | 402,410                 | 12,396   | 414,806              | 442,996    |
| USES OF FINANCIAL RESOURCES:   |                         |          |                      |            |
| Expenditures:  |                         |          |                      |            |
| Current:   |                         |          |                      |            |
| Legislative  | 7,001                   | -        | 7,001                | 6,774      |
| General government   | 75,215                  | -        | 75,215               | 98,231     |
| Public safety  | 37,981                  | 14,296   | 52,277               | 49,093     |
| Public works   | 217,005                 | -        | 217,005              | 208,304    |
| Health & welfare   | 29,339                  | -        | 29,339               | 30,107     |
| Community & economic development   | 2,343                   | -        | 2,343                | 7,604      |
| Recreation & culture   | 3,316                   | -        | 3,316                | 4,505      |
| Other  | 30,401                  | -        | 30,401               | 31,026     |
| Capital outlay   | 3,002                   | -        | 3,002                | 22,890     |
| Contingencies  | -                       | -        | -                    | -          |
| Total Expenditures   | 405,603                 | 14,296   | 419,899              | 458,534    |
| Excess ( deficiency) of revenues over expenditures   | ( 3,193)                | ( 1,900) | ( 5,093)             | ( 15,538)  |
| OTHER FINANCING SOURCES (USES):  |                         |          |                      |            |
| Operating transfers in   | -                       | 172      | 172                  | -          |
| Operating transfers (out)  | 172                     | -        | ( 172)               | -          |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br>FINANCING SOURCES OVER EXPENDITURES<br>AND OTHER FINANCING USES | ( 3,365)                | ( 1,728) | ( 5,093)             | ( 15,538)  |
| FUND EQUITY, BEGINNING OF FISCAL YEAR  | 168,865                 | 1,728    | 170,593              | 186,131    |
| FUND EQUITY, END OF FISCAL YEAR  | \$ 165,500              | \$ -     | \$ 165,500           | \$ 170,593 |

The accompanying notes are an integral part of these financial statements.

# MAPLE GROVE TOWNSHIP

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – ALL GOVERNMENTAL FUND TYPES

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|  | GENERAL FUND    |                   |   | SPECIAL REVENUE FUND |                   |   |
|--|-----------------|-------------------|---|----------------------|-------------------|---|
|  | FINAL<br>BUDGET | ACTUAL<br>AMOUNTS | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) | FINAL<br>BUDGET      | ACTUAL<br>AMOUNTS | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) |
| <b>SOURCES OF FINANCIAL RESOURCES:</b>   |                 |                   |   |                      |                   |   |
| Revenue:   |                 |                   |   |                      |                   |   |
| Taxes  | \$ 70,000       | \$ 71,140         | \$ 1,140  | \$ -                 | \$ -              | \$ -  |
| Licenses and permits   | 4,000           | 4,217             | 217   | -                    | -                 | -   |
| Federal grants   | -               | -                 | -   | -                    | -                 | -   |
| State grants & revenue sharing   | 200,500         | 185,132           | ( 15,368)   | -                    | -                 | -   |
| Charges for services   | 127,507         | 125,723           | ( 1,784)  | 15,500               | 12,396            | ( 3,104)  |
| Fines and forfeits   | -               | -                 | -   | -                    | -                 | -   |
| Interest and rents   | 12,900          | 10,800            | ( 2,100)  | -                    | -                 | -   |
| Other revenue  | 1,200           | 5,398             | 4,198   | -                    | -                 | -   |
| Total Revenue  | 416,107         | 402,410           | ( 13,697)   | 15,500               | 12,396            | ( 3,104)  |
| <b>USES OF FINANCIAL RESOURCES:</b>  |                 |                   |   |                      |                   |   |
| Expenditures:  |                 |                   |   |                      |                   |   |
| Current:   |                 |                   |   |                      |                   |   |
| Legislative  | 8,000           | 7,001             | 999   | -                    | -                 | -   |
| General government   | 85,000          | 75,215            | 9,785   | -                    | -                 | -   |
| Public safety  | 33,750          | 37,981            | ( 4,231)  | 18,400               | 14,296            | 4,104   |
| Public works   | 221,336         | 217,005           | 4,331   | -                    | -                 | -   |
| Health & welfare   | 30,250          | 29,339            | 911   | -                    | -                 | -   |
| Community & economic development   | 7,120           | 2,343             | 4,777   | -                    | -                 | -   |
| Recreation & culture   | 4,000           | 3,316             | 684   | -                    | -                 | -   |
| Other  | 35,040          | 30,401            | 4,639   | -                    | -                 | -   |
| Capital outlay   | 8,000           | 3,002             | 4,998   | -                    | -                 | -   |
| Contingencies  | 150,000         | -                 | 150,000   | -                    | -                 | -   |
| Total Expenditures   | 582,496         | 405,603           | 176,893   | 18,400               | 14,296            | 4,104   |
| Excess ( deficiency) of revenues over expenditures   | ( 166,389)      | ( 3,193)          | 163,196   | ( 2,900)             | ( 1,900)          | 1,000   |
| <b>OTHER FINANCING SOURCES (USES):</b>   |                 |                   |   |                      |                   |   |
| Operating transfers in   | -               | -                 | -   | -                    | 172               | 172   |
| Operating transfers (out)  | -               | ( 172)            | ( 172)  | -                    | -                 | -   |
| EXCESS (DEFICIENCY) OF REVENUES AND<br>OTHER FINANCING SOURCES OVER<br>EXPENDITURES AND OTHER FINANCING USES | ( 166,389)      | ( 3,365)          | 163,024   | ( 2,900)             | ( 1,728)          | 1,172   |
| FUND EQUITY, BEGINNING OF FISCAL YEAR  | 168,865         | 168,865           | -   | 1,728                | 1,728             | -   |
| FUND EQUITY, END OF FISCAL YEAR  | \$ 2,476        | \$ 165,500        | \$ 163,024  | \$ ( 1,172)          | \$ -              | \$ 1,172  |

The accompanying notes are an integral part of these financial statements.

# MAPLE GROVE TOWNSHIP

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
 – BUDGET AND ACTUAL –  
 ALL GOVERNMENTAL FUND TYPES  
 (Continued)

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|  | TOTALS (MEMORANDUM ONLY) |                   |   |
|--|--------------------------|-------------------|---|
|  | FINAL<br>BUDGET          | ACTUAL<br>AMOUNTS | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) |
| SOURCES OF FINANCIAL RESOURCES:  |                          |                   |   |
| Revenue:   |                          |                   |   |
| Taxes  | \$ 70,000                | \$ 71,140         | \$ 1,140  |
| Licenses and permits   | 4,000                    | 4,217             | 217   |
| Federal grants   | -                        | -                 | -   |
| State grants & revenue sharing   | 200,500                  | 185,132           | ( 15,368)   |
| Charges for services   | 143,007                  | 138,119           | ( 4,888)  |
| Fines and forfeits   | -                        | -                 | -   |
| Interest and rents   | 12,900                   | 10,800            | ( 2,100)  |
| Other revenue  | 1,200                    | 5,398             | 4,198   |
| Total Revenue  | 431,607                  | 414,806           | ( 16,801)   |
| USES OF FINANCIAL RESOURCES:   |                          |                   |   |
| Expenditures:  |                          |                   |   |
| Current:   |                          |                   |   |
| Legislative  | 8,000                    | 7,001             | 999   |
| General government   | 85,000                   | 75,215            | 9,785   |
| Public safety  | 52,150                   | 52,277            | ( 127)  |
| Public works   | 221,336                  | 217,005           | 4,331   |
| Health & welfare   | 30,250                   | 29,339            | 911   |
| Community & economic development   | 7,120                    | 2,343             | 4,777   |
| Recreation & culture   | 4,000                    | 3,316             | 684   |
| Other  | 35,040                   | 30,401            | 4,639   |
| Capital outlay   | 8,000                    | 3,002             | 4,998   |
| Contingencies  | 150,000                  | -                 | 150,000   |
| Total Expenditures   | 600,896                  | 419,899           | 180,997   |
| Excess ( deficiency) of revenues over expenditures   | ( 169,289)               | ( 5,093)          | 164,196   |
| OTHER FINANCING SOURCES (USES):  |                          |                   |   |
| Operating transfers in   |                          | 172               | 172   |
| Operating transfers (out)  | -                        | ( 172)            | ( 172)  |
| EXCESS (DEFICIENCY) OF REVENUES AND<br>OTHER FINANCING SOURCES OVER<br>EXPENDITURES AND OTHER FINANCING USES | ( 166,389)               | ( 5,093)          | 164,196   |
| FUND EQUITY, BEGINNING OF FISCAL YEAR  | 170,593                  | 170,593           | -   |
| FUND EQUITY, END OF FISCAL YEAR  | \$ 1,304                 | \$ 165,500        | \$ 164,196  |

The accompanying notes are an integral part of these financial statements

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS MARCH 31, 2004

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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Maple Grove Township is a "general law" township. The governing body of the Township is the Township Board, composed of the supervisor, the clerk, the treasurer, and two trustees. The Township provides the following services as authorized by State statutes: public safety (police, fire, protective inspections, planning and zoning), public works (road construction and storm drains), parks and recreation, and general administrative services.

Educational services are provided to citizens through the various local school districts that are separate governmental entities. Also, road and street maintenance is provided to the Township through the Saginaw County Road Commission, which is a separate governmental entity.

The financial statements of Maple Grove Township include the accounts of all Township operations. The activity or entities included in the financial statements are those for which the Township has oversight responsibility or where the entities' services are provided only within the Township's geographical boundaries and generally available only to the Township's residents.

#### BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operation of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purposes of which they are to be spent and the means by which spending activities are controlled. The various funds and account groups are categorized and described as follows:

#### GOVERNMENTAL FUNDS

*General Fund* -- The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* -- Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are legally restricted to expenditures for specified purposes. Pursuant to Public Act 245 of 1999, the township's "Building Inspection Department" activity is accounted for as a special revenue fund.

#### FIDUCIARY FUNDS

*Trust and Agency Funds* -- Trust and Agency Funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include the Current Tax Collection and Delinquent Tax Collection Funds.

#### ACCOUNT GROUPS

*General Fixed Assets Account Group* -- This Account Group is established to account for all fixed assets of the Township utilized in its general operations. Major improvements that are of value only to the Township such as roads, storm sewers and lighting systems are not included. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. No depreciation has been provided on general fixed assets.

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS -- continued MARCH 31, 2004

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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#### BASIS OF ACCOUNTING:

Basis of accounting refers to when revenues and expenditures / expenses are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurements made, regardless of the measurement focus applied.

The financial activity of the Fiduciary and Agency Funds is limited to collection of amounts which are subsequently returned or paid to third parties and, accordingly, are limited to cash transactions.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Revenues are generally available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after fiscal year-end to pay liabilities of the current fiscal period. Significant revenues susceptible to accrual include most federal and state intergovernmental revenues (state revenue sharing) and charges for services. Other revenues are recorded as revenues when received in cash because they are not measurable until actually received. Expenditures are generally recognized when the related fund liability is incurred, provided the liability normally would be liquidated with expendable available resources.

Property tax revenues are recognized when they become available. Available means when due, or past due and receivable within the current fiscal period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Property taxes receivables, which are not available to the Township until a subsequent year, are classified as deferred revenues.

Payments for inventorable types of supplies are recorded as expenditures at the time of purchase. Normally, expenditures are not divided between fiscal years by the recording of prepaid expenses.

#### BUDGETS AND BUDGETARY ACCOUNTING:

Governmental Fund Types (General Fund) are under formal budgetary control. Budgets shown in the financial statements were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those contained in the formal budget approved by the Township Board.

Adoption and amendments of all budgets used by the Township are governed by Michigan Act 621 of the Public Acts of 1978, the *Uniform Budgeting and Accounting Act*. All appropriations lapse at fiscal year end.

Budgeted amounts are as originally adopted, or as amended by the Township Board. Individual amendments were not material in relation to the original appropriations that were amended.

#### CASH EQUIVALENTS AND INVESTMENTS:

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

State statutes authorize the Township to invest in U.S. government obligations, certificates of deposits, commercial paper, repurchase agreements, bankers acceptances, and with some restrictions, mutual funds. An Attorney General's opinion states that public funds may not be deposited in financial institutions located in states other than Michigan.

All investments, if any, are stated at cost or amortized cost and are made in accordance with P.A. 217, 1982 of the State of Michigan.

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS continued MARCH 31, 2004

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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#### PROPERTY TAXES RECEIVABLE:

##### Delinquent taxes receivable-real property:

The County of Saginaw purchases the delinquent real property taxes of the Township. The County intends to sell tax notes, the proceeds of which will be used to pay the Township for these property taxes. It is anticipated this will take place May 2004, (Receipts less than 60 days). These taxes have been recorded as revenue for the current year ended March 31, 2004.

##### Delinquent taxes receivable - personal property:

During March of each year, the County Treasurer returns to the Township Treasurer a statement of all personal property taxes that remain uncollected on the current tax levy with a warrant authorizing the Township Treasurer to collect them according to the law. Such delinquent property taxes which remain unpaid for more than 5 years, after they are returned to the County Treasurer, may be petitioned to the Circuit Court to be removed from the Township records providing the Court shall determine that the Township Treasurer has exercised due diligence in an effort to collect such taxes.

Delinquent personal property taxes allocated to the Township are reported as "deferred revenue" in the General Fund

#### GENERAL FUND – CHARGE FOR SERVICES – Ambulance Service Assessment:

At the general election held November 7, 2000, the electorate of the Township approved a \$25 assessment on each township residence for a period of ten years, 2000 – 2009 inclusive, for the purpose of providing ambulance service through the Twin Township Ambulance, Inc. for the people of Maple Grove Township.

#### COMPARATIVE DATA:

Comparative total data for the prior fiscal year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

#### TOTAL COLUMNS ON COMBINED STATEMENTS:

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, result of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS -- continued MARCH 31, 2004

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### NOTE 2: EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

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Public Act 621 of 1978 section 18 (1), as amended provides that the Township shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the Township's actual and budgeted expenditures for the budgetary governmental type funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level. Budget comparisons are shown in each individual fund statement.

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### NOTE 3: DEPOSITS AND INVESTMENTS:

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#### DEPOSITS:

The bank carrying value of deposits held by the respective depositories equates to the Township's carrying value of \$163,229.

Approximately \$100,000 was covered by federal depository insurance and \$63,229 was uninsured and uncollateralized at March 31, 2004. Michigan statutes do not require uninsured deposits to be collateralized.

Types of deposits are summarized as follows:

|   |            |
|---|------------|
| Demand accounts - money market/checking | \$ 163,229 |
| Time Certificates of deposits           | <u>0</u>   |
|   | \$ 163,229 |
|   | =====      |

#### INVESTMENTS:

At March 31, 2004, the Township has no investments other than the cash deposits mentioned above.

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### NOTE 4: CHANGES IN FIXED ASSETS:

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A summary of changes in general fixed assets follows:

|           | APRIL 1, 2003 | ADDITIONS | DELETIONS | MARCH 31, 2004 |
|-----------|---------------|-----------|-----------|----------------|
| Land      | \$ 25,780     | \$ -      | \$ -      | \$ 25,780      |
| Buildings | 324,995       | -         | -         | 324,995        |
| Vehicles  | 289,631       | -         | -         | 289,631        |
| Equipment | 160,520       | 3,002     | -         | 163,522        |
| Total     | \$ 800,926    | \$ 3,002  | \$ -      | \$ 803,928     |

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS -- continued MARCH 31, 2004

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### NOTE 5: PENSION PLAN

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The township has in effect a contributory retirement annuity plan (defined contribution), through The Manufacturing Life Insurance Co., covering all full-time employees, between the ages of 21 to 75, except volunteer firemen and seasonal employees.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on the investments of those contributions. The plan requires the township to contribute seventy-five (75%) percent of the required annual pension contribution based upon a rate schedule applied to the participants' rate of compensation in effect at the beginning of the pension plan year. Participating employees contribute the remaining twenty-five (25%) percent of the annual pension contribution. Participants may make voluntary contributions up to ten (10%) percent.

The township's current-year covered payroll was \$29,588 and its total current-year payroll for all employees was \$52,145. Cost to the township amounted to \$2,892 during the fiscal year ended March 31, 2004. The township's policy is to fund pension cost accrued. The actuarial valuation of vested benefits of the plan is computed on March 31<sup>st</sup> of each year.

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### Note 6: POST-EMPLOYMENT BENEFITS

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The Township has no post-employment benefits plans at this time other than its defined contribution pension plan.

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### NOTE 7: RISK MANAGEMENT

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The Township of Maple Grove is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township of Maple Grove maintains commercial insurance coverage each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the township. Settled claims have not exceeded this commercial coverage in any of the past three years.

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### NOTE 8: USE OF ESTIMATES

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The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# MAPLE GROVE TOWNSHIP

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## NOTES TO FINANCIAL STATEMENTS -- continued MARCH 31, 2004

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### NOTE 9: ACCOUNTING CHANGE:

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In this report, the township's employee benefits of social security and pension expenses have been allocated to the applicable departmental activities rather than grouped together and included within the expenditure function of "other activities".

SUPPLEMENTARY  
FINANCIAL  
DATA

MAPLE GROVE TOWNSHIP

GENERAL FUND

BALANCE SHEET

| <u>ASSETS:</u>                           | MARCH 31,         |                   |
|--|-------------------|-------------------|
|  | 2004              | 2003              |
| Cash – checking                          | \$ 28,998         | \$ 10,770         |
| Cash – savings                           | 127,562           | 150,510           |
| Certificates of deposit                  | -                 | -                 |
| Delinquent taxes receivable:             |                   |                   |
| 2003 tax levy                            | 7,020             | -                 |
| 2002 tax levy                            | -                 | 8,820             |
| Due from State                           | 24,411            | 26,415            |
| Due from current tax fund                | 1,195             | 497               |
| Due from delinquent tax fund             | 21                | 13                |
| <u>TOTAL ASSETS</u>                      | <u>\$ 189,207</u> | <u>\$ 197,025</u> |
| <br>                                     |                   |                   |
| <u>LIABILITIES AND FUND EQUITY:</u>      |                   |                   |
| LIABILITIES:                             |                   |                   |
| Accounts payable                         | \$ 21,741         | \$ 26,403         |
| Payroll taxes withheld                   | 1,945             | 1,744             |
| Deferred revenue – taxes                 | 21                | 13                |
| Total Liabilities                        | <u>23,707</u>     | <u>28,160</u>     |
| FUND EQUITY:                             |                   |                   |
| Reserved for Fire Truck & Equipment      | -                 | -                 |
| Unreserved, unapropriated                | 165,500           | 168,865           |
| Total Fund Equity                        | <u>165,500</u>    | <u>168,865</u>    |
| <u>TOTAL LIABILITIES AND FUND EQUITY</u> | <u>\$ 189,207</u> | <u>\$ 197,025</u> |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

GENERAL FUND

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND EQUITY

|  | FOR THE YEAR ENDED MARCH 31, |                 |            |   |            |
|--|------------------------------|-----------------|------------|---|------------|
|  | 2004                         |                 |            |   | 2003       |
|  | ORIGINAL<br>BUDGET           | FINAL<br>BUDGET | ACTUAL     | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) | ACTUAL     |
| REVENUE:   |                              |                 |            |   |            |
| Taxes  | \$ 70,000                    | \$ 70,000       | \$ 71,140  | \$ 1,140  | \$ 65,713  |
| Licenses and permits   | 4,000                        | 4,000           | 4,217      | 217   | 4,167      |
| Federal grants   | -                            | -               | -          | -   | 19,022     |
| State grants & revenue sharing   | 200,500                      | 200,500         | 185,132    | ( 15,368)   | 198,184    |
| Charges for services   | 127,507                      | 127,507         | 125,723    | ( 1,784)  | 122,687    |
| Fines & forfeits   | -                            | -               | -          | -   | 10         |
| Interest and rents   | 12,900                       | 12,900          | 10,800     | ( 2,100)  | 12,403     |
| Other revenue  | 1,200                        | 1,200           | 5,398      | 4,198   | 9,137      |
| Total Revenue  | 416,107                      | 416,107         | 402,410    | ( 13,697)   | 431,323    |
| EXPENDITURES:  |                              |                 |            |   |            |
| Current:   |                              |                 |            |   |            |
| Legislative  | 9,000                        | 8,000           | 7,001      | 999   | 7,802      |
| General government   | 81,650                       | 85,000          | 75,215     | 9,785   | 101,476    |
| Public safety  | 35,700                       | 33,750          | 37,981     | ( 4,231)  | 36,326     |
| Public works   | 217,676                      | 221,336         | 217,005    | 4,331   | 208,304    |
| Health & welfare   | 30,250                       | 30,250          | 29,339     | 911   | 30,107     |
| Community development  | 10,120                       | 7,120           | 2,343      | 4,777   | 7,683      |
| Recreation & culture   | 6,700                        | 4,000           | 3,316      | 684   | 4,505      |
| Other  | 30,000                       | 35,040          | 30,401     | 4,639   | 25,527     |
| Capital outlay   | 10,500                       | 8,000           | 3,002      | 4,998   | 22,890     |
| Contingencies  | 150,000                      | 150,000         | -          | 150,000   | -          |
| Total Expenditures   | 581,596                      | 582,496         | 405,603    | 176,893   | 444,620    |
| Excess (deficiency) of<br>revenues over expenditures   | ( 165,489)                   | ( 166,389)      | ( 3,193)   | 163,196   | ( 13,297)  |
| OTHER FINANCING SOURCES (USES):  |                              |                 |            |   |            |
| Operating transfers (out)<br>to Building Inspections Fund  | -                            | -               | ( 172)     | ( 172)  | -          |
| Excess (deficiency) of revenues and other<br>financing sources over expenditures and<br>other financing uses | ( 165,489)                   | ( 166,389)      | ( 3,365)   | 163,024   | ( 13,297)  |
| FUND EQUITY,<br>BEGINNING OF FISCAL YEAR   | 168,865                      | 168,865         | 168,865    | -   | 182,162    |
| FUND EQUITY, END OF FISCAL YEAR  | \$ 3,376                     | \$ 2,476        | \$ 165,500 | \$ 163,024  | \$ 168,865 |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUE -- ESTIMATED AND ACTUAL

|   | FOR THE YEAR ENDED MARCH 31, |            |   |            |
|---|------------------------------|------------|---|------------|
|   | 2 0 0 4                      |            |   | 2003       |
|   | FINAL<br>BUDGET              | ACTUAL     | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) | ACTUAL     |
| TAXES:                                  |                              |            |   |            |
| Current property taxes                  | \$ 49,000                    | \$ 50,121  | \$  | \$ 48,398  |
| Penalties                               | -                            | -          |   | 31         |
| Tax charge backs                        | -                            | ( 7)       |   | ( 175)     |
| Tax administration fees                 | 21,000                       | 21,026     |   | 17,459     |
|   | 70,000                       | 71,140     | 1,140   | 65,713     |
| FEDERAL GRANTS:                         |                              |            |   |            |
| FEMA Grant for Air Compressor           | -                            | -          | -   | 19,022     |
| LICENSE AND PERMITS:                    |                              |            |   |            |
| CATV franchise fee                      | 2,000                        | 2,047      |   | 2,082      |
| Building and trailer permits            | -                            | -          |   | -          |
| Septic permits                          | -                            | -          |   | -          |
| Special use & pond permits              | -                            | 150        |   | -          |
| Application, plan review, land division | 2,000                        | 2,020      |   | 2,085      |
|   | 4,000                        | 4,217      | 217   | 4,167      |
| STATE SHARED REVENUE:                   |                              |            |   |            |
| Sales and use tax                       | 200,000                      | 183,669    |   | 197,744    |
| Liquor license                          | 500                          | 440        |   | 440        |
| Telecommunications Rights-of-Way        | -                            | 1,023      |   | -          |
|   | 200,500                      | 185,132    | ( 15,368)   | 198,184    |
| CHARGES FOR SERVICES:                   |                              |            |   |            |
| Board of Appeals fees                   | -                            | -          |   | -          |
| Dog license collection fee              | 25                           | 17         |   | 21         |
| Rubbish collection                      | 99,000                       | 98,532     |   | 97,309     |
| Recycling                               | 3,000                        | 1,467      |   | -          |
| Street lighting                         | 882                          | 882        |   | 882        |
| Ambulance service                       | 24,600                       | 24,825     |   | 24,475     |
|   | 127,507                      | 125,723    | ( 1,784)  | 122,687    |
| INTEREST AND RENTS:                     |                              |            |   |            |
| Interest                                | 1,900                        | 710        |   | 2,038      |
| Rents                                   | 11,000                       | 10,090     |   | 10,365     |
|   | 12,900                       | 10,800     | ( 2,100)  | 12,403     |
| OTHER REVENUE:                          |                              |            |   |            |
| Ordinance fees                          | -                            | -          |   | 10         |
| Blight assessment                       | -                            | -          |   | 2,800      |
| Donations from Private Sources          | -                            | 2,300      |   | -          |
| Insurance claim/refunds                 | 1,000                        | -          |   | 6,153      |
| Volunteer fire assistance grant         | -                            | 2,068      |   | -          |
| Other from tax account                  | -                            | 771        |   | -          |
| Miscellaneous                           | 200                          | 259        |   | 184        |
|   | 1,200                        | 5,398      | 4,198   | 9,147      |
| TOTAL REVENUE                           | \$ 416,107                   | \$ 402,410 | \$ ( 13,697)  | \$ 431,323 |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP  
GENERAL FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

|  | FOR THE YEAR ENDED MARCH 31, |                 |            |   |            |
|--|------------------------------|-----------------|------------|---|------------|
|  | 2 0 0 4                      |                 |            |   | 2003       |
|  | ORIGINAL<br>BUDGET           | FINAL<br>BUDGET | ACTUAL     | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) | ACTUAL     |
| LEGISLATIVE:                             |                              |                 |            |   |            |
| Township Board                           | \$ 9,000                     | \$ 8,000        | \$ 7,001   | \$ 999  | \$ 7,802   |
| GENERAL GOVERNMENT:                      |                              |                 |            |   |            |
| Chief Executive (Supervisor)             | 8,200                        | 7,900           | 8,781      | ( 881)  | 7,362      |
| Clerk                                    | 6,300                        | 5,900           | 6,761      | ( 861)  | 7,423      |
| Accounting                               | 4,200                        | 5,000           | 4,688      | 312   | 4,171      |
| Board of Review                          | 850                          | 850             | 1,567      | ( 717)  | 938        |
| Treasurer                                | 9,500                        | 9,700           | 11,419     | ( 1,719)  | 7,898      |
| Assessor                                 | 13,800                       | 15,800          | 12,189     | 3,611   | 10,326     |
| Elections                                | 350                          | 400             | 490        | ( 90)   | 3,145      |
| Township hall & other property           | 14,500                       | 15,900          | 15,946     | ( 46)   | 39,190     |
| Attorney                                 | 1,000                        | 500             | 1,822      | ( 1,322)  | 3,338      |
| Cemetery                                 | 1,150                        | 1,250           | 700        | 550   | 5,049      |
| Unallocated                              | 21,800                       | 21,800          | 10,852     | 10,948  | 12,636     |
|  | 81,650                       | 85,000          | 75,215     | 9,785   | 101,476    |
| PUBLIC SAFETY:                           |                              |                 |            |   |            |
| Police                                   | 10,100                       | 10,450          | 10,040     | 410   | 5,274      |
| Fire protection                          | 25,600                       | 23,300          | 27,941     | ( 4,641)  | 30,387     |
| Protective inspections                   | -                            | -               | -          | -   | 665        |
|  | 35,700                       | 33,750          | 37,981     | ( 4,231)  | 36,326     |
| PUBLIC WORKS:                            |                              |                 |            |   |            |
| Highways and streets                     | 89,976                       | 96,636          | 92,642     | 3,994   | 85,662     |
| Drains – public benefit                  | 26,000                       | 26,000          | 25,243     | 757   | 24,048     |
| Street lighting                          | 2,700                        | 2,700           | 2,660      | 40  | 2,658      |
| Sanitation, refuse collection & disp.    | 99,000                       | 96,000          | 96,460     | ( 460)  | 95,936     |
|  | 217,676                      | 221,336         | 217,005    | 4,331   | 208,304    |
| HEALTH AND WELFARE:                      |                              |                 |            |   |            |
| Health clinic                            | 850                          | 850             | 752        | 98  | 832        |
| Ambulance                                | 29,400                       | 29,400          | 28,587     | 813   | 29,275     |
|  | 30,250                       | 30,250          | 29,339     | 911   | 30,107     |
| COMMUNITY DEVELOPMENT:                   |                              |                 |            |   |            |
| Planning and zoning                      | 10,120                       | 7,120           | 2,343      | 4,777   | 7,683      |
| RECREATION AND CULTURE:                  |                              |                 |            |   |            |
| Parks                                    | 5,000                        | 4,000           | 3,316      | 684   | 2,905      |
| Library                                  | 1,700                        | -               | -          | -   | 1,600      |
|  | 6,700                        | 4,000           | 3,316      | 684   | 4,505      |
| OTHER ACTIVITIES:                        |                              |                 |            |   |            |
| Township share of pension                | 1,600                        | 1,600           | -          | 1,600   | -          |
| Township share of Social Security        | 2,400                        | 2,400           | -          | 2,400   | -          |
| Unemployment tax                         | -                            | 450             | 440        | 10  | -          |
| Insurance                                | 26,000                       | 30,590          | 29,961     | 629   | 25,527     |
|  | 30,000                       | 35,040          | 30,401     | 4,639   | 25,527     |
| CAPITAL OUTLAY:                          |                              |                 |            |   |            |
| Township offices - equipment             | 500                          | 500             | -          | 500   | -          |
| Fire Dept. – truck & equipment           | 10,000                       | 7,500           | 3,002      | 4,498   | 22,890     |
|  | 10,500                       | 8,000           | 3,002      | 4,998   | 22,890     |
| CONTINGENCIES                            | 150,000                      | 150,000         | -          | 150,000   | -          |
| TOTAL APPROPRIATIONS<br>AND EXPENDITURES | \$ 581,596                   | \$ 582,496      | \$ 405,603 | \$ 176,893  | \$ 444,620 |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP  
BUILDING DEPARTMENT FUND  
BALANCE SHEET

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| <u>ASSETS:</u>                           | MARCH 31,       |                 |
|--|-----------------|-----------------|
|  | 2003            | 2003            |
| Cash                                     | <u>\$ 5,474</u> | <u>\$ 6,243</u> |
| <br><u>LIABILITIES AND FUND EQUITY:</u>  |                 |                 |
| LIABILITIES:                             |                 |                 |
| Accounts and permit deposits payable     | \$ 5,474        | \$ 4,515        |
| FUND EQUITY:                             |                 |                 |
| Unreserved, unappropriated               | <u>-</u>        | <u>1,728</u>    |
| <u>TOTAL LIABILITIES AND FUND EQUITY</u> | <u>\$ 5,474</u> | <u>\$ 6,243</u> |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

BUILDING DEPARTMENT FUND

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND EQUITY

|  | FOR THE YEAR ENDED MARCH 31, |                 |           |   |           |
|--|------------------------------|-----------------|-----------|---|-----------|
|  | 2004                         |                 |           |   | 2003      |
|  | ORIGINAL<br>BUDGET           | FINAL<br>BUDGET | ACTUAL    | VARIANCE FROM<br>FINAL BUDGET<br>FAVORABLE<br>(UNFAVORABLE) | ACTUAL    |
| REVENUE:   |                              |                 |           |   |           |
| Charges for services, Bldg permits   | \$ 15,850                    | \$ 15,500       | \$ 12,396 | \$ ( 3,104)   | \$ 11,673 |
| EXPENDITURES:  |                              |                 |           |   |           |
| Current:   |                              |                 |           |   |           |
| Public safety, Inspections   | 15,700                       | 18,400          | 14,296    | 4,104   | 13,914    |
| Excess (Deficiency) of<br>revenues over expenditures   | 150                          | ( 2,900)        | ( 1,900)  | 1,000   | ( 2,241)  |
| OTHER FINANCING SOURCES:   |                              |                 |           |   |           |
| Operating transfers in from General Fund   | -                            | -               | 172       | 172   | -         |
| Excess (deficiency) of revenues and other<br>financing sources over expenditures and<br>other financing uses | 150                          | ( 2,900)        | ( 1,728)  | 1,172   | ( 2,241)  |
| FUND EQUITY,<br>BEGINNING OF FISCAL YEAR   | 1,728                        | 1,728           | 1,728     | -   | 3,969     |
| FUND EQUITY, END OF FISCAL YEAR  | \$ 1,878                     | \$ ( 1,172)     | \$ -      | \$ 1,172  | \$ 1,728  |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|  | BALANCE<br>APRIL 1, 2003 | ADDITIONS    | DEDUCTIONS   | BALANCE<br>MAR 31, 2004 |
|--|--------------------------|--------------|--------------|-------------------------|
| <b>CURRENT TAX COLLECTIONS FUND:</b>                 |                          |              |              |                         |
| <u>Assets:</u>                                       |                          |              |              |                         |
| Cash   | \$ 497                   | \$ 1,729,672 | \$ 1,728,974 | \$ 1,195                |
| <u>Liabilities:</u>                                  |                          |              |              |                         |
| Due to General Fund                                  | \$ 497                   | \$ 161,811   | \$ 161,113   | \$ 1,195                |
| Due to Saginaw County                                | -                        | 457,240      | 457,240      | -                       |
| Due to Schools                                       | -                        | 456,139      | 456,139      | -                       |
| Due to Intermediate School Districts                 | -                        | 207,103      | 207,103      | -                       |
| Due to Delta College                                 | -                        | 139,675      | 139,675      | -                       |
| Due to State   | -                        | 276,801      | 276,801      | -                       |
| Due to Twp General Fund for Twin Twp Ambulance Assmt | -                        | 23,787       | 23,787       | -                       |
| Refunds/Overpayments                                 | -                        | 7,116        | 7,116        | -                       |
| Total Liabilities                                    | \$ 497                   | \$ 1,729,672 | \$ 1,728,974 | \$ 1,195                |
| <br><b>DELINQUENT TAX COLLECTIONS FUND:</b>          |                          |              |              |                         |
| <u>Assets:</u>                                       |                          |              |              |                         |
| Cash   | \$ -                     | \$ -         | \$ -         | \$ -                    |
| Delinquent taxes receivable --                       |                          |              |              |                         |
| 2003 Personal Property                               | -                        |              |              | 421                     |
| 2002 Personal Property                               | 488                      | 421          | -            | 488                     |
| 2000 Personal Property                               | 129                      | -            | -            | 129                     |
|  | \$ 617                   | \$ 421       | \$ -         | \$ 1,038                |
| <u>Liabilities:</u>                                  |                          |              |              |                         |
| Due to General Fund                                  | \$ 13                    | \$ 8         | \$ -         | \$ 21                   |
| Due to County  | 97                       | 69           | -            | 166                     |
| Due to School Districts                              | 341                      | 236          | -            | 577                     |
| Due to Intermediate Schools                          | 51                       | 35           | -            | 86                      |
| Due to Delta College                                 | 33                       | 25           | -            | 58                      |
| Due to State   | 82                       | 48           | -            | 130                     |
|  | \$ 617                   | \$ 421       | \$ -         | \$ 1,038                |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|                             | BALANCE<br>APRIL 1, 2003 | ADDITIONS    | DEDUCTIONS   | BALANCE<br>MAR. 31, 2004 |
|-----------------------------|--------------------------|--------------|--------------|--------------------------|
| TOTAL -- ALL AGENCY FUNDS:  |                          |              |              |                          |
| <u>Assets:</u>              |                          |              |              |                          |
| Cash                        | \$ 497                   | \$ 1,729,672 | \$ 1,728,974 | \$ 1,195                 |
| Delinquent taxes receivable | 617                      | 421          | -            | 1,038                    |
| Total Assets                | \$ 1,114                 | \$ 1,730,093 | \$ 1,728,974 | \$ 2,233                 |
| <u>Liabilities:</u>         |                          |              |              |                          |
| Due to General Fund         | \$ 510                   | \$ 161,819   | \$ 161,113   | \$ 1,216                 |
| Due to Saginaw County       | 97                       | 457,309      | 457,240      | 166                      |
| Due to Schools              | 341                      | 456,375      | 456,139      | 577                      |
| Due to Intermediate         |                          |              |              |                          |
| School Districts            | 51                       | 207,138      | 207,103      | 86                       |
| Due to Delta College        | 33                       | 139,700      | 139,675      | 58                       |
| Due to State                | 82                       | 276,849      | 276,801      | 130                      |
| Due to General Fund for     |                          |              |              |                          |
| Twin Twp Ambulance Assmt    | -                        | 23,787       | 23,787       | -                        |
| Refunds/Overpayments        | -                        | 7,116        | 7,116        | -                        |
| Total Liabilities           | \$ 1,114                 | \$ 1,730,093 | \$ 1,728,974 | \$ 2,233                 |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP  
CURRENT TAX COLLECTIONS FUND

ANALYSIS OF 2003 TAXES SPREAD AND COLLECTIONS  
TO DATE OF RETURN TO COUNTY TREASURER

|   | TAX SPREAD          | UNCOLLECTED<br>TAXES<br>RETURNED TO<br>COUNTY<br>TREASURER | TAX<br>COLLECTIONS<br>ACCOUNTABLE<br>BY TOWNSHIP<br>TREASURER |
|---|---------------------|--|---|
| County  | \$ 408,775          | \$ 11,377  | \$ 397,398  |
| County drain assessments  | 60,847              | 1,151  | 59,696  |
| State education tax   | 282,534             | 6,133  | 276,401   |
| Intermediate school districts   | 212,183             | 5,080  | 207,103   |
| Delta College   | 143,674             | 3,999  | 139,675   |
| Chesaning Union Schools   | 49,958              | 3,972  | 45,986  |
| Montrose Schools  | 17,286              | 392  | 16,894  |
| New Lothrop Schools   | 402,663             | 9,404  | 393,259   |
| Township  | 50,211              | 1,397  | 48,814  |
| Township ambulance service assessment   | 24,825              | 1,038  | 23,787  |
| Township rubbish collection assessment  | 98,532              | 4,234  | 94,298  |
| Township street lighting assessment   | 882                 | -  | 882   |
|   | <u>\$ 1,752,370</u> | <u>\$ 48,177</u>   | <u>\$ 1,704,193</u>   |
| <u>Add:</u> Dog licenses  |                     | 163  |   |
| 1% Administration fee   |                     | 17,029   |   |
| Penalties   |                     | 400  |   |
| Miscellaneous   |                     | 771  |   |
| Overpayments & NSF  |                     | <u>7,116</u>   | <u>25,479</u>   |
| <br>TOTAL CASH COLLECTIONS  |                     |  | <br>1,729,672   |
| <u>Deduct Allocations:</u>  |                     |  |   |
| Saginaw County Treasurer  |                     | 457,240  |   |
| State Education tax   |                     | 276,801  |   |
| Genesee County Intermediate S/D   | 6,905               |  |   |
| Saginaw County Intermediate S/D   | 13,465              |  |   |
| Shiawassee County Intermediate S/D  | <u>186,733</u>      | 207,103  |   |
| Delta College   |                     | 139,675  |   |
| Chesaning Union Schools   | 45,986              |  |   |
| Montrose Community Schools  | 16,894              |  |   |
| New Lothrop Area Public Schools   | <u>393,259</u>      | 456,139  |   |
| Refunds   |                     | 7,116  |   |
| Twin Township Ambulance   |                     | 23,787   |   |
| Township's General Fund:  |                     |  |   |
| Administration fee  | 17,029              |  |   |
| Dog license fees  | 17                  |  |   |
| Rubbish collection  | 94,298              |  |   |
| Street lighting   | 882                 |  |   |
| Miscellaneous   | <u>771</u>          | <u>112,997</u>   | <u>1,680,858</u>  |
| <br>BALANCE OF CASH COLLECTED IN<br>RESPECT OF THE DECEMBER 2003<br>TOWNSHIP TAX LEVY |                     |  | <br>48,814  |
| Add: 2003 Township delinquent taxes   |                     |  | <u>1,397</u>  |
| <br>FY 2003 - 04 GENERAL FUND CURRENT<br>PROPERTY TAX REVENUE                         |                     |  | <br><u>\$ 50,211</u>  |

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|                                       | BALANCE<br>APRIL 1, 2003 | ADDITIONS | DEDUCTIONS | BALANCE<br>MAR. 31, 2004 |
|---------------------------------------|--------------------------|-----------|------------|--------------------------|
| LAND:                                 |                          |           |            |                          |
| 5 ACRES, SECTION #1 (dump)            | \$ 500                   | \$        | \$         | \$ 500                   |
| 9.46 acres, section #21 (park)        | 9,280                    |           |            | 9,280                    |
| 2.3 acres, section 322 (cemetery)     | 2,500                    |           |            | 2,500                    |
| 2.47 acres, Township Hall, Sec 21     | 5,000                    |           |            | 5,000                    |
| 1 acre at Township Hall, Sec 21       | 5,000                    |           |            | 5,000                    |
| Additional Township Hall parking      | 3,500                    |           |            | 3,500                    |
|                                       | <u>25,780</u>            |           |            | <u>25,780</u>            |
| BUILDINGS:                            |                          |           |            |                          |
| Township Hall                         | 213,263                  |           |            | 213,263                  |
| Township Offices                      | 43,637                   |           |            | 43,637                   |
| Fire Hall                             | 62,635                   |           |            | 62,635                   |
| Park                                  | 5,460                    |           |            | 5,460                    |
|                                       | <u>324,995</u>           |           |            | <u>324,995</u>           |
| VEHICLES AND EQUIPMENT:               |                          |           |            |                          |
| Fire truck 1975                       | 30,008                   |           |            | 30,008                   |
| Police radio                          | 1,850                    |           |            | 1,850                    |
| 1980 Chevy fire truck                 | 30,863                   |           |            | 30,863                   |
| 1998 3D Fire truck                    | 167,370                  |           |            | 167,370                  |
| 2000 Fire truck chassis               | 59,540                   |           |            | 59,540                   |
|                                       | <u>289,631</u>           |           |            | <u>289,631</u>           |
| OTHER EQUIPMENT:                      |                          |           |            |                          |
| Township Hall                         | 13,054                   |           |            | 13,054                   |
| Township Hall – chairs                | 2,964                    |           |            | 2,964                    |
| Township Hall – 10 burner gas range   | 2,366                    |           |            | 2,366                    |
| Township Hall – ice maker             | 2,101                    |           |            | 2,101                    |
| Elections – Optech IIIP Eagle         | 6,090                    |           |            | 6,090                    |
| Office – typewriter, clerks office    | 495                      |           |            | 495                      |
| Office – Typewriter SCXD5600          | 306                      |           |            | 306                      |
| Office – Typewriter SCXD4800          | 222                      |           |            | 222                      |
| Office – chair                        | 150                      |           |            | 150                      |
| Office – Dell 486 M25 computer        | 2,730                    |           |            | 2,730                    |
| Office – Panasonic KS-P2624 printer   | 500                      |           |            | 500                      |
| Office – Computer software            | 2,210                    |           |            | 2,210                    |
| Office – Toshiba 1360 copier          | 1,095                    |           |            | 1,095                    |
| Office – Toshiba plain paper faxTF421 | 499                      |           |            | 499                      |
| Office – Computer Pentium III 450     | 2,402                    |           |            | 2,402                    |
| Office – HP Laser Jet 4050 printer    | 1,335                    |           |            | 1,335                    |

(Continued)

The accompanying notes are an integral part of these financial statements.

MAPLE GROVE TOWNSHIP

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS - continued

FOR THE FISCAL YEAR ENDED MARCH 31, 2004

|  | BALANCE<br>APRIL 1, 2003 | ADDITIONS       | DEDUCTIONS  | BALANCE<br>MAR. 31, 2004 |
|--|--------------------------|-----------------|-------------|--------------------------|
| OTHER EQUIPMENT continued:   |                          |                 |             |                          |
| Police & fire department   | 8,261                    |                 |             | 8,261                    |
| Fire siren   | 2,095                    |                 |             | 2,095                    |
| Fire truck apparatus   | 1,578                    |                 |             | 1,578                    |
| Fire – monitors/pagers   | 9,578                    |                 |             | 9,578                    |
| Fire – radios  | 5,955                    |                 |             | 5,955                    |
| Fire – 2-way radio & siren   | 1,820                    |                 |             | 1,820                    |
| Fire – miscellaneous   | 11,108                   |                 |             | 11,108                   |
| Fire – generator EHE-4400  | 550                      |                 |             | 550                      |
| Fire – 2 pagers/monitor II w/chgr                                  | 760                      |                 |             | 760                      |
| Fire – 1 Uniden SMH-400UT Trk radio                                | 649                      |                 |             | 649                      |
| Fire – 19” Sharp color TV (sn:460925)                              | 350                      |                 |             | 350                      |
| Fire – 4 Scott IIA Air Paks  | 4,577                    |                 |             | 4,577                    |
| Fire – Portable tank   | 1,176                    |                 |             | 1,176                    |
| Fire – Hooligan tool   | 140                      |                 |             | 140                      |
| Fire – 24” fan   | 1,710                    |                 |             | 1,710                    |
| Fire – Kerosene heater   | 170                      |                 |             | 170                      |
| Fire – 1980 fire truck equipment                                   | 2,509                    |                 |             | 2,509                    |
| Fire – 1980 fire truck radio                                       | 580                      |                 |             | 580                      |
| Fire – 1998 fire truck equipment                                   | 5,970                    |                 |             | 5,970                    |
| Fire – Paratech air bag set  | 2,475                    |                 |             | 2,475                    |
| Fire – 2 Motorola MTS2000 II Prtbl 800                             | 4,436                    |                 |             | 4,436                    |
| Fire – Building sign   | 2,338                    |                 |             | 2,338                    |
| Fire – 2 Scott Air Paks  | 4,545                    |                 |             | 4,545                    |
| Fire – 6 shirts & pants  | 5,661                    |                 |             | 5,661                    |
| Fire – 2 Scott SCBA w/spare tanks                                  | 4,873                    |                 |             | 4,873                    |
| Fire – Honda deluxe trash pump & hood                              | 1,196                    |                 |             | 1,196                    |
| Fire – Eagle Cadet CRS II breathable air<br>compressor Model 208 E | 22,890                   |                 |             | 22,890                   |
| Fire – Automated external defibrillator                            |                          | 3,002           |             | 3,002                    |
| Cemetery lawn mower (4212H)  | 1,700                    |                 |             | 1,700                    |
| Park – fence   | 4,886                    |                 |             | 4,886                    |
| Park – portable bleachers ( 5 rows)                                | 1,678                    |                 |             | 1,678                    |
| Police – radios  | 1,375                    |                 |             | 1,375                    |
| Police – shotgun & 3 pistols                                       | 1,658                    |                 |             | 1,658                    |
| Police – Decatur MVR 724 radar unit                                | 1,104                    |                 |             | 1,104                    |
| Police – SCM typewriter XE5100                                     | 259                      |                 |             | 259                      |
| Police – Recesitator   | 495                      |                 |             | 495                      |
| Police – 4 file cabinets   | 444                      |                 |             | 444                      |
| Police – phone answering machine                                   | 127                      |                 |             | 127                      |
| Police – Dictaphone  | 325                      |                 |             | 325                      |
|  | <u>160,520</u>           |                 |             | <u>163,522</u>           |
| TOTAL INVESTMENT IN<br>GENERAL FIXED ASSETS                        | <u>\$ 800,926</u>        | <u>\$ 3,002</u> | <u>\$ -</u> | <u>\$ 803,928</u>        |

The accompanying notes are an integral part of these financial statements.

# MAPLE GROVE TOWNSHIP

## T A X   D A T A

|                           |                                       |           | 2003                | 2002                | 2001                | 2000                | 1999                |
|---------------------------|---------------------------------------|-----------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Ad Valorem Totals:</u> |                                       |           |                     |                     |                     |                     |                     |
|                           | Real                                  | Assessed  | 67,981,400          | 64,012,600          | 61,664,615          | 58,990,297          |                     |
|                           | Real                                  | Equalized | 67,981,400          | 64,012,600          | 61,664,615          | 58,990,297          |                     |
|                           | Real                                  | Taxable   | 54,597,953          | 52,114,318          | 49,228,546          | 46,444,541          | 43,908,504          |
|                           | Personal                              | Assessed  | 1,909,500           | 1,910,700           | 1,744,000           | 1,668,700           |                     |
|                           | Personal                              | Equalized | 317,800             | 348,500             | 211,100             | 205,900             |                     |
|                           | Personal                              | Taxable   | 1,909,500           | 1,910,700           | 1,744,000           | 1,688,700           | 1,597,100           |
|                           | Homestead                             | Taxable   | 52,676,917          | 50,179,248          | 47,563,624          | 44,729,018          |                     |
|                           | Non-Homestead                         | Taxable   | 3,830,536           | 3,845,770           | 3,408,922           | 3,404,223           |                     |
| <br><u>Tax Levies:</u>    |                                       |           |                     |                     |                     |                     |                     |
|                           | County                                |           | \$ 408,775          | \$ 389,034          | \$ 367,279          | \$ 319,450          | \$ 303,961          |
|                           | County drain assessments              |           | 60,847              | 59,387              | 40,187              | 43,458              | 5,817               |
|                           | State education tax                   |           | 282,534             | 324,146             | 305,830             | 288,795             | 273,029             |
|                           | Intermediate school districts         |           | 212,183             | 205,485             | 177,843             | 169,401             | 161,790             |
|                           | Delta College                         |           | 143,674             | 137,363             | 129,601             | 98,315              | 92,948              |
|                           | Chesaning Union public schools        |           | 49,958              | 52,340              | 49,615              | 48,835              | 45,891              |
|                           | Montrose schools                      |           | 17,286              | 17,884              | 16,114              | 15,318              | 14,522              |
|                           | New Lothrop schools                   |           | 402,663             | 387,401             | 364,013             | 345,824             | 323,392             |
|                           | Township operating                    |           | 50,211              | 48,405              | 45,904              | 43,626              | 41,499              |
|                           | Township ambulance service assessment |           | 24,825              | 24,475              | 24,275              | 24,025              | -                   |
|                           | Township blight clean-up assessment   |           | -                   | 2,800               | -                   | -                   | -                   |
|                           | Rubbish collection charges            |           | 98,532              | 97,309              | 96,493              | 95,574              | 92,600              |
|                           | Street lighting assessment            |           | 882                 | 882                 | 882                 | 840                 | 840                 |
|                           | Fire protection assessment            |           | -                   | -                   | -                   | -                   | -                   |
|                           | Total Property Tax Levy               |           | <u>\$ 1,752,370</u> | <u>\$ 1,746,911</u> | <u>\$ 1,618,036</u> | <u>\$ 1,493,461</u> | <u>\$ 1,356,289</u> |
|                           | Collections to March 1st              |           | \$ 1,704,193        | \$ 1,684,750        | \$ 1,547,830        | \$ 1,414,359        | \$ 1,272,629        |
|                           | % Collected                           |           | 97.25%              | 96.4%               | 95.7%               | 94.7%               | 93.8%               |

# FRANCIS H. MCKENNA

*Certified Public Accountant*

300 ST. ANDREWS ROAD  
SAGINAW, MI 48603-5977

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September 24, 2004

To the Township Board  
Maple Grove Township  
17010 Lincoln Road  
New Lothrop, Michigan 48460-9781

I offer the following comments as a result of my audit of the general purpose financial statements of Maple Grove Township for the fiscal year ended March 31, 2004.

1. I noted that the Township incurred expenditures in excess of the amount appropriated (noncompliance with Act 621 of PA 1978) in certain activities of the General Fund and Special Revenue Fund.

Even though all disbursements are approved by the Township Board, the budget must be amended as soon as it becomes apparent that there maybe a deviation from the original budget resolution and the amount of deviation can be determined. The Uniform Budgeting Act requires that budgets be amended before incurring unbudgeted costs.

I did note, however, that the amount budgeted for unforeseen "contingencies" were more than ample to cover the above individual activity area "over" expenditures.

2. For your information, the Governmental Accounting Standards Board (GASB) has issued statement number 34, which greatly changes governmental financial statement presentation. This will become effective for the next fiscal year beginning April 1, 2004. There will be two levels of financial reporting for the fiscal year ending March 31, 2005. One, a government-wide perspective providing financial statements that are comparable to a private business, and two, fund-level statements providing basically the same financial information as in prior years.

The government-wide statements will be prepared on the accrual basis of accounting. All governmental fund activity will be consolidated into one column, including fixed assets and long-term debt. The Township will have to calculate depreciation to date on its general fixed assets and record depreciation expense (by department) on an annual basis. The fund-level statements will continue to use the modified accrual method of accounting.

3. Also, Statement No. 34 of the Governmental Accounting Standards Board (GASB) requires that employee benefits (social security and pension expense) be allocated to the applicable governmental function or department. This allocation should be continued during the fiscal year 2004-05 and future fiscal years. The township's current budget should also allocate these benefits to the appropriate department.

This communication is intended solely for the information and use of the Township Board, officers and administration within the Township. We have furnished a copy of this letter to the Michigan Department of Treasury as an enclosure with the audit report as required by the State of Michigan.

I wish to thank you for the cooperation shown to me during the audit.

Very truly yours,

*Francis H. McKenna, CPA*

Francis H. McKenna, CPA

cc: State Treasurer